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RHEFDIA/DIA WASHINGTON DC PRIORITY
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TAGS: PHUM PREL PGOV KDEM NU
SUBJECT: UNDER PRESSURE, ORTEGA CHANGES TONE AND TACTICS IN CAMPAIGN AGAINST NGOS

REF: A. MANAGUA 1308

_B. MANAGUA 1316

Classified By: DCM Richard Sanders, reasons 1.4 (b,d)

¶1. (C) Under sharp and growing international pressure over its campaign against civil society, the Ortega government appears to have made a decision to change its tone and tactics in the run-up to the November 9 municipal elections. The European Union, the U.S., the Carter Center, Friends of the Inter-American Democratic Charter and others have issued strong statements over the past two weeks denouncing the GON's campaign of investigations, raids and harassment of pro-democracy NGOs and its conduct in the pre-electoral Since these statements, criticism of NGOs in environment. the semi-official media has dropped significantly. In addition, on October 28, President Ortega, First Lady Rosario Murillo and other senior government officials attending a meeting with representatives of many NGOs (most pro-democracy groups stayed away) to pledge improved cooperation in the future and to stress that Nicaragua welcomes a role for civil society. While the Ortega Government clearly continues to view NGOs as a threat, the events of the last few weeks indicate that international pressure may have some effect on the GON and allow Nicaraguan civil society a bit more space to operate. End Summary.

ORTEGA -- NGOS BENEFIT OUR COUNTRY

12. (U) In an October 28 event organized by Nicaragua's National Council for Social and Economic Planning (CONPES), President Daniel Ortega, First Lady Rosario Murillo, Minister of Government (MINGOB) Ana Isabel Morales, and Deputy Foreign Minister Valdrack Jaentschke met with selected representatives of NGOs working in Nicaragua. pre-existing umbrella organization to funnel input from key sectors of Nicaraguan society into government policy. Under Ortega it has become a vehicle to incorporate the Citizen Power Councils (CPCs) into the GON's social and economic sector activities. At the meeting, Ortega appeared to be in a conciliatory mood, telling NGO leaders that in the current world economic crisis, "we should unite forces: the State, the CPCs, and NGOs." Furthermore, he told the group "we all want the well-being of the people, of all Nicaraguans, without distinction for political ideology." He stated that the Government should be thankful for the help it receives from NGOs. He also directed MINGOB's Morales to "be more flexible" in its supervision of NGOs. Despite the general conciliatory tone, Ortega also lashed out at foreign donors

for imposing conditions on how donations and aid can be used and for trying to impose "a political order, an ideological order" via the aid they give to NGOs. (Note: Ortega apparently may not be able to maintain this new attitude towards NGOs for very long. Local media report that Ortega circulated a paper at the 18th Ibero-American Summit in El Salvador on October 30 in which he accused European Ambassadors in Managua of seeking to "destabilize" his government through their "illegal" support to certain NGOs. End Note.)

- ¶3. (U) In the role of 'bad cop' to Ortega's 'good cop,'
 Deputy FM Jaentschke defended the GON's efforts to "impose order" over NGOs and foreign financing. "When we came into power, we encountered disorder, a great disorder" in the oversight of NGOs and compliance with Nicaraguan law. "There was too much discretion" and therefore there were abuses. Jaentschke announced that the GON, within the next two weeks, would issue a manual governing implementation of the laws on civil society and foreign financing. While the new rules would not be "imposed" without consultation, Jaentschke promised those assembled that, in 2009, Nicaragua will have a system "more effective, more ordered, governing the flow of foreign finances to non-governmental organizations."
- $\P4$. (C) In organizing the event, the GON appeared to be picking and choosing NGOs to create a more docile audience and to divide the pro-democracy groups. A leading health sector NGO that has been critical of the government was asked to provide a list of its board members. Ultimately, the group was not formally invited but potentially sympathetic board members were. The Institute for the Development of Democracy (IPADE), which has criticized the Ortega Government over its refusal to grant the organization permission to observe the municipal elections, was not invited, but its executive director, a former Sandinista, was. An American humanitarian aid worker, who runs a series of faith-based humanitarian programs in the Leon and Matagalpa departments, told us on October 29 that his organization was invited but could not attend. Others organizations with whom he works did send representatives who commented that Ortega was more conciliatory in tone and appeared to welcome NGO assistance, a change he suggested was driven by the international pressure.

TURNING DOWN THE RHETORIC

15. (C) Since mid-August, the Ortega Government and the FSLN have waged a virulent media campaign via the semi-official media (Television Channel 4, Radio Ya, and the new weekly El 19) against civil society groups and their leaders. Morales, Jaentschke and other senior officials have publicly accused leading NGO leaders, such as press activist Carlos Fernando Chamorro and women's leader Sofia Montenegro (reftels) of being agents of the U.S., as well as attacking other prominent NGOs of being in the pay of the USG to "destabilize" the Ortega Government. In the October 16 edition of El 19, one article falsely claimed that a poloff who recently left post was an intelligence agent directing the activities of Sofia Montenegro and other women's movement leaders and provided explicit directions to her former residence. Embassy sent a letter to the Foreign Ministry on October 17 protesting the article and reminding the GON of its Vienna Convention obligations to provide protection to diplomats. Following the letter and the outpouring of international criticism over the GON's treatment of NGOs, there has been a noticeable drop in the use of these semi-official media outlets to criticize civil society groups.

GOVERNMENT STILL "AT WAR"

16. (C) Marcus Carmona, executive director of the Nicaraguan Permanent Commission on Human Rights (CPDH), dismissed the meeting with the NGOs as a GON effort to "save face" with the international community without really changing its

intentions. "The reality is that Ortega has declared war on us" and won't be satisfied until "we are broken." Carmona ${\bf v}$ said he had been invited to the October 28 meeting, but did not attend "on principle." The pressure against his organization, and other pro-democracy groups, continues but in a less public manner. CPDH has been called to appear before the Prosecutor's office multiple times in connection with the investigation of the International Republican Institute (IRI) and the visit of former Mexican President Vincente Fox. Furthermore, CPDH was called to appear before MINGOB to answer accusations that CPDH had violated a citizen's rights. When CPDH appeared, there was no information to substantiate the charge, but CPDH was still required to present an array of documents regarding its current activities. Furthermore, the case against CINCO, MAM and OXFAM (reftels) has caused a project between CPDH and OXFAM to be frozen and all documents related to the project were turned over by OXFAM to the Prosecutor's office. Carmona expects these documents will generate yet another round of investigation against his organization and possibly threaten his group's legal status.

17. (C) Carmona believes that, in part, the pressure directed at NGOs is the result of the pro-democratic organizations working together more effectively over the last three months. They have held joint demonstrations, coordinated get-out-the-vote efforts, aided each others investigations, and provided defense when attacked by the government. "They know they must break us apart." According to Carmona, the FSLN's weak standing in key municipal races, and their desire to force constitutional changes quickly after the elections, are also driving factors in the current pressure tactics against civil society.

COMMENT

18. (C) The Ortega government continues to view civil society, particularly those groups which challenge its policies or which it cannot control, as threats to its short term goal of winning the November 9 municipal elections and to its longer term goal of consolidating and perpetuating Ortega's political power. However, events of the last several weeks lead us to also believe that coordinated and direct pressure from the international community, especially with the U.S. and EU working in concert, can bring about a change in the GON's behavior. While the change is modest at best, any extra breathing room that the international community can gain for Nicaragua's democratic civil society is welcome and needed. CALLAHAN